

**Remarks by Rep. Henry A. Waxman
Chairman, Committee on Energy and Commerce
Speech before the National Cable and
Telecommunications Association
April 1, 2009**

Introduction

It's a great pleasure to join you here tonight. I want to thank Kyle McSlarrow for inviting me. I also want to recognize Jerry Yanowitz with the California Cable and Telecommunications Association, who has kept me informed for many years on the issues important to the cable industry. And I am especially pleased to be here on the night that you honor the 2009 class of Cable TV Pioneers. Congratulations.

Many of you may not remember — in fact, most of you probably won't remember — that I once served on what we now call the House Subcommittee on Communications, Technology, and the Internet. I have not been a member of the Subcommittee for many years, and I am enjoying the opportunity as the new Chairman of the Energy and Commerce Committee to become more deeply involved in telecommunications policy again.

When I first joined the Committee, the cable industry was a struggling underdog with about two million customers. Today it's a thriving industry with nearly 8,000 cable systems operating around the country that earned \$86 billion last year.

Although virtually every other industry is suffering from the economic slowdown, the appetite for new information and communications technologies has not waned in a commensurate way. Cable companies are proving to be resilient as many consumers opt to break their more expensive entertainment habits and invest instead in cable service upgrades. And, reports indicate that the number of jobs in technology-related fields actually increased last year while jobs in other industries were slashed.

Communications and Technology Priorities

We will have a busy communications and technology agenda in the 111th Congress, and I want to share with you some of the issues that will be a priority for the Committee.

DTV Transition

As you know, the Committee's immediate priority was to extend the DTV transition from February 17 to June 12. I would like to acknowledge your extraordinary efforts in assisting with the transition by providing \$250 million for public service announcements and another \$20 million for call centers.

We now have a "staggered transition," which has given the White House, the National Telecommunications and Information Administration (NTIA), and the Federal Communications Commission (FCC) breathing room to fix the coupon program and enhance outreach to consumers. The Committee will continue to work closely with the Administration to see this transition to its completion. There will be no additional extensions of the deadline, so we need to make sure we do this right.

Satellite Home Viewer Extension and Reauthorization Act

The Satellite Home Viewer Extension and Reauthorization Act (SHVERA) will expire at the end of this year, and its reauthorization is the only “must pass” communications legislation before the Committee this year. Subcommittee Chairman Rick Boucher has already held a hearing on this matter and indicated his preference to have a bill that is narrow in scope. As you know, SHVERA is complicated and grew out of competing policy goals – promoting competition for pay television service and protecting our system of free, over the air broadcast television. Achieving both goals, especially during a time of dramatic change in the communications marketplace, requires a careful balancing of interests. I look forward to your input as we develop and pass this important legislation.

Broadband Deployment

Your companies have invested \$145 billion in broadband investments since 1996. Broadband technologies are critical to our economic development, and I want to make every effort to promote them. I am very pleased the Administration included more than \$7 billion in the American Recovery and Reinvestment Act to expand broadband penetration, encourage adoption of broadband service, and fund the creation of a broadband inventory map that will be invaluable as the FCC develops and implements a national broadband plan.

In the last Congress, when I chaired the House Oversight Committee, I asked the General Accountability Office to conduct a comprehensive survey of all actions taken by the federal government to encourage broadband deployment. This study is currently underway.

Specifically, GAO is investigating existing and pending federal regulatory proceedings, programs, and other initiatives that encourage broadband deployment. In addition, it is studying our broadband deployment and access rates and how

they compare to other nations, the extent to which federal entities are using existing authority to encourage deployment, unique characteristics of the U.S. that affect deployment and access, and the extent of federal coordination.

The results of this study are going to help inform the decisions on stimulus spending and the national broadband plan.

Oversight of Stimulus Broadband Grants

Given the amount of public dollars at stake in the American Recovery and Reinvestment Act, the Committee will keep a close eye on the broadband grant program. Tomorrow morning, the Subcommittee on Communications, Technology, and the Internet will hold its first oversight hearing of the program. And, while many of the rules still need to be written, in my view it is never too early to initiate vigorous oversight.

We intend for the funds to have as big an impact as possible, and I have been pleased with what I've seen so far.

The joint process the NTIA, RUS, and FCC are using appears to be open and transparent, and the agencies seem interested in providing funds in creative and pragmatic ways.

At the end of the day, the purpose of this legislation was to create and preserve jobs. The Recovery Act will influence broadband policy going forward, but it is first and foremost a jobs bill, and will not be the final say in communications policy.

Other Subcommittee Priorities

Other communications priorities for the Subcommittee this year include privacy protection and universal service reform.

On privacy, I believe consumers should be empowered to decide how their personal information is used, collected, stored, and shared. I don't believe consumers currently have a good enough grasp of what is happening with their personal information and how their online activities are being tracked. There should be full transparency and consumers should have the ability to effectively control their information.

As you know, universal service is a consumer-funded subsidy program for telecommunications carriers. I have a strong interest in making sure this money is being used efficiently and effectively, with adequate protections against waste, fraud, and abuse. Earlier today, Chairman Boucher, Ranking Member Barton, and Ranking Member Stearns joined me in a letter to the FCC asking for more data about Universal Service Fund disbursements. We all agree that any effort to reform the program will be enhanced if policymakers and the public have a better understanding of where this public money is being spent.

I also believe we should explicitly target funding for networks of the future, not just the networks of the past. Congress has a duty to ratepayers to ensure that meaningful reform is tied to any expansion of the program. As your customers contribute to the universal service fund, we will be interested in your input on this issue.

I want to say a word about network neutrality. As you know, President Obama and Julius Genachowski, his selection for FCC chair, have been strong advocates of net neutrality, and this has shifted the political dynamic. Chairman Boucher has told me he is optimistic that a consensus can be reached among stakeholders. I hope he is right, but in my view, one way or another, legislative or regulatory action will be taken on this issue.

Full Committee Priorities

Before I conclude, I want to speak very briefly about two of President Obama's top priorities because they will be central to the Energy and Commerce Committee's work this year.

The first is global warming. We are at a critical time in history and have a tremendous opportunity to substantially reduce greenhouse gas emissions. Yesterday Energy Subcommittee Chairman Ed Markey and I released a discussion draft of new clean energy legislation that will create millions of clean energy jobs, put America on the path to energy

independence, and cut global warming pollution. Our goal is to strengthen our economy by making America the world leader in clean energy and energy efficiency technologies. We have looked to science to guide us as we've developed this legislation. Our plan is to move the bill through committee to the House floor by the Memorial Day recess.

The second is health care reform. There are many ways to go about health care reform, and there undoubtedly will be a spirited debate about the best approach. But what is clearly the best approach is a bill that we can pass and that secures the goal of universal coverage, sensible controls on cost, and assurance of quality care. My expectation is to complete committee consideration and have the bill ready for floor action before the August recess.

By electing Barack Obama President, the American people expressed a desire to have their faith in government restored. We face very difficult challenges, but we also have a great opportunity to make permanent structural changes that are

worthy of the hopes the American people have placed in our government.

Some say we should put all other goals on hold to tackle the devastating problems we are facing with the economy. I view it completely differently. I believe that reforming our health care system and pursuing energy policy that charts a new course toward clean energy are integral to restoring our economy.

Thank you.